

The complaint

Mr Y is unhappy with the way Accredited Insurance (Europe) Ltd (Accredited) dealt with a claim against his motor insurance policy.

All references to Accredited include agents appointed to act on their behalf.

What happened

In February 2020, Accredited told Mr Y they had been notified of a claim involving his car, which took place in central London. Mr Y denied any knowledge of the collision and said his car wasn't at the location at the time. The accident had allegedly taken place first thing in the morning, so he said his car would still have been parked on his driveway.

Due to a communication breakdown, Accredited didn't receive Mr Y's follow up emails. It also sent correspondence to Mr Y using an incorrect email address. In the meantime, Accredited decided to settle the claim on a without prejudice basis. They reached this decision as the third party's insurer had been able to provide a CCTV still image, from the time of the collision, and the visible car was the same make, model and registration as Mr Y's. So, they didn't think they could dispute the fact Mr Y's car was involved in the collision.

Mr Y said he'd been treated unfairly, and liability for the accident shouldn't have been accepted based on the CCTV image. He provided photographs of his car and said it was a different colour to the one in the image. He also said the car in the image didn't have a sunroof while his car does. And the car's number plate may have been cloned as the car involved in the accident wasn't his. He accepted that he couldn't provide evidence of the location of his car at the time of the accident. However, he did provide a bank statement to show his wife had been shopping in their local area during the afternoon.

In response to Mr Y's complaint, Accredited apologised for their communication errors and offered Mr Y £100 compensation to reflect the trouble and upset this caused him. They said they would still have accepted liability for the claim, if they had received Mr Y's correspondence and evidence - as they didn't think they would have been able to successfully defend it given the strength of the CCTV evidence.

Our investigator then considered the complaint. She empathised with Mr Y's position but didn't think the concerns he'd raised about the CCTV image, were sufficient grounds to conclude the claim had been settled unfairly. She also said the bank statement didn't change things, as it didn't show the location of his car at the time of the collision.

So, I've considered the complaint afresh.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and

reasonable in the circumstances of this complaint.

I would like to reassure Mr Y and Accredited that although I have only summarised the background and arguments in the section above, I have read and considered everything provided about this complaint in its entirety.

It isn't my place to decide who is actually liable for the accident at the heart of this complaint, that would be a matter for a court of law. What I'm deciding is whether Accredited have applied the terms and conditions of the policy reasonably and whether they have dealt with the claim fairly.

The starting point is the agreement between Accredited and Mr Y - the policy's terms and conditions. Under the terms of the policy, Accredited can independently decide whether to defend a claim or settle it. This might mean Accredited makes a decision that Mr Y disagrees with, as has happened here. I don't find this unusual or surprising as most motor insurance policies allow insurers to consider claims in this way. That said, we expect an insurer to reasonably investigate a claim and consider the evidence available before making their decision on liability. I've therefore carefully considered how likely it is Accredited would've made a different decision, if they'd considered all of Mr Y's comments and evidence first.

I've reviewed the CCTV image and the photographs Mr Y has provided of his car. While the CCTV image isn't of the highest quality, I can see that the car is of the same make and model as Mr Y's. I'm also satisfied the car in the image has the same registration number as his.

I'm not convinced you can adequately determine the colour of the car from the image, as there appears to be a blue lens across the entire image which has distorted the colours. I understand why Mr Y has questioned the presence of a sunroof, but once again, I don't think the image is sufficiently clear to be able to determine this – one way or the other. As I've already mentioned - the key things I have been able to determine from the image are that the registration number, make and model are the same as Mr Y's car. So, I can understand why Accredited have said they don't think they would have been able to successfully defend the matter had it progressed to court.

I also don't think there is enough evidence to say Mr Y's car was obviously cloned, or that it wasn't present at the time of the collision. I don't dispute that Mr Y's address at the time of the incident was outside of central London, or that the bank statement he's provided, supports his testimony that his wife used the car to go shopping locally in the afternoon. But based on the distances involved - that doesn't make it implausible that the incident could have happened first thing in the morning as the third party insurer has claimed.

In light of the above, while I appreciate Mr Y's frustration, disappointment and strength of feeling. I don't think Accredited acted unreasonably by settling the claim in the way that they did. They let Mr Y down in relation to the customer service they provided – however I don't think the claim would have been settled in a different way if that hadn't taken place.

If Mr Y would like to accept Accredited's compensation offer he should contact them directly to arrange this – if he hasn't already. I'm satisfied £100 is a fair amount, as I've made similar awards in other complaints - where customer service failings of this nature have also taken place.

My final decision

For the reasons I've explained I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 29 September 2021.

Claire Greene
Ombudsman